Continental Terms for Work and Services

September 2021

Continental Safety Engineering International GmbH (‘Continental’)

All work and services rendered by Continental Safety Engineering International GmbH (‘Continental’) are governed exclusively by the General Conditions set out here. The General Conditions or Conditions of the Customer differing from the Perform shall only apply if and when expressly accepted by Continental in writing.

1. Offers and Formation of Contract

1.1 All offers, proposals or estimates for works and services of Continental (hereinafter collectively or individually referred to as “Services”) are subject to modifications or alterations without notice, unless it is expressly agreed to the contrary.

1.2 Orders as well as any proposed modifications or verbal ancillary or subsidiary agreements are subject to Continental’ confirmation. Such confirmations shall govern the contractual relation between the parties.

1.3 The fulfillment of the agreement on Continental’ part is subject to the proviso that this shall not be prevented by impediments on the grounds of national and international legal requirements, in particular export control provisions.

2. Scope of the Contract, Additional Services

2.1. The kind and scope of Services to be performed by Continental are determined in the final specification which shall form an integral part of the contract.

2.2. Unless expressly stated as the objective of the contract, the scope of services shall be limited to the requirements stated in Germany, as well as observance of testing standards other than those customary in Germany shall require express written agreement between Continental and the Customer.

2.3. The Customer shall be entitled to furnish Continental with the prices for any additional Services at a reasonable cost, subject to Continental’ agreement. Continental shall inform the Customer thereof as soon as possible.

2.4. Continental shall be entitled to charge the Customer for any work done for the Customer’s account or at the Customer’s request which Continental is not required to perform under the contract.

3. General Rights and Obligation of Continental

3.1. Subject to a plausibility check by Continental, Continental shall be entitled to assume the correctness and completeness of all information provided by the Customer with regard to the performance of contract, particularly the physical-technical data and figures, including without limitation such information necessary for the performance of the contract, which could perceivably be of relevance to the Services to be rendered by Continental, including information concerning technical limiting factors. The foregoing sentence shall also apply to any other information, and technical instruction of the Customer to Continental. If, however, Continental will find any error concerning such information, Continental shall be entitled to refuse the Customer accordingly.

3.2. Should Continental consider any information or technical instruction given by the Customer to be incorrect or unsuitable, Continental may assert its objections but, in any event, shall not be required to furnish the Services according to the information and instructions supplied, however, only to the extent performance of Services according to such information or instruction is technically feasible or does not contravene any law or regulation.

4. General Obligations of the Customer

4.1. The Customer undertakes to provide in good time, complete and free of costs all assistance necessary for the performance of the contract, in particular to deliver any test samples and objects needed for the rendering of the Services. Furthermore the Customer shall provide Continental in good time and without being expressly requested to do so with all information necessary for the performance of the contract, which could perceivably be of relevance to the Services to be rendered by Continental, including information concerning technical limiting factors. The foregoing sentence shall also apply to any other circumstances which become known to the Customer after the conclusion of contract. To fulfill this responsibility the Customer shall use all sources available to him under economically reasonable circumstances.

4.2. If fulfillment of the contract by Continental, Continental is obliged to collect any test samples and objects made available to Continental for the performance of contract without undue delay and at his own risk and costs from the place the Services have been performed by Continental.

5. Delivery Period, Delay

5.1. Delivery dates or a schedule for the performance of Services by Continental shall only be binding upon Continental, if explicitly confirmed by Continental. Agreement in writing can only be adhered to if the Customer furnishes the test samples, test objects, parts, documents, approvals, permits and releases, particularly regarding specification, to be furnished by it and fulfills his payment obligations and other obligations in sufficient time to enable Continental to perform its obligations. Should the Customer fail to fulfill such requirements imposed hereunder, the deadlines shall be extended accordingly. This shall not apply if Continental is held responsible for such delays.

5.2. Should failure to meet the deadlines be due to force majeure, e.g. mobilization, war, riot or similar events such as strikes or lockouts the deadlines for Continental to perform its obligations shall be extended for a reasonable additional period of time.

5.3. If Continental is responsible for the delay, the Customer shall – insofar as the Customer is able to prove prima facie evidence of damages incurred as a result of delays - be entitled to demand for each full week of delay 1% percent, however, not more than a total of 5 percent, of the value of that part of Continental’ Services that could not be used in due time or in due conformity with the contract owing to the delay.

5.4. Any claims for damages asserted by the Customer on the basis of delayed performance of Services as well as claims for compensation in lieu of performance ("Schadensersatz statt der Leistung"), which exceed the limits stated in 5.3 are excluded in all instances of late performance, also upon the expiration of any additional period of time allotted to Continental. This shall not apply to instances in which mandatory liability is based on willful misconduct, gross negligence, or injury is caused to life, limb or health. The Customer shall only be entitled to rescind from the contract in conformance with statutory provisions should Continental be responsible for a failure to deliver in due time. This does not constitute a modification in the burden of the evidence to the detriment of the Customer.

5.5. At the request of Continental, the Customer shall declare within a reasonable period of time whether it intends to assert his right for fulfillment of the contract due to the delay and/or which additional claims and rights it intends to assert.

6. Acceptance

6.1. Continental is permitted to deliver in installments.

6.2. Acceptance of Services shall not be denied on grounds of modifications undertaken by Continental before the accepted Services or parts thereof are furnished or to other performances before and/or during fulfillment of the contract, to the extent such can be reasonably accepted by the Customer.

6.3. The Customer shall not refuse to accept the Services due to immaterial defects.

7. Price and Payment

7.1. Unless otherwise agreed and if the performance of the contract does not take more than 4 weeks after the contract is signed, Continental will invoice its Services immediately after completing the Services. Payment shall be due immediately upon receipt of the invoice by the Customer. If the performance of the contract is not made by Continental, Continental shall be entitled to partially invoice every four weeks for the Services performed within the respective period.

7.2. Prices exclude turnover tax (value-added tax) which will additionally be charged to the Customers at the statutory rate.

7.3. Where an advance payment is liable to turnover tax by virtue of statutory regulations, the turnover tax arising on the advance payment shall be payable by the Customer.

7.4. Bills of exchange and checks will be accepted merely as a conditional payment and shall be deemed to constitute payment only on the unconditional crediting of the countervalue. Banking charges, discount fees and other expenses shall be borne by the Customer.

7.5. The Customer may only declare a set-off with counterparts that are uncontested or have been ruled final and absolute by the respective Court of Justice.

8. Right to Use

Copyrights, patents and any other intellectual property rights, including know-how, contained or incorporated in our Services shall not be transferred to the customer. Unless expressly agreed otherwise, the Customer undertakes to make the Services rendered by Continental, in particular the documents delivered, under the contract upon full payment of the contract price on a non-exclusive basis and only for the agreed purpose of the contract. Additional or other rights of use shall only be granted upon express agreement between Continental and the Customer.

9. Material Defects as to Quality

To the extent sale of goods law ("Kaufrecht") applies to the Services or the contract concerns the performance of work ("Werkleistungen"), Continental shall be liable for material defects as to quality of such Services ("Sachmängel", hereinafter: "Defects") as follows:

9.1. All parts or Services which are found to have material defects within the limitation period shall, at Continental’ discretion, be repaired or replaced free of charge, insofar as the cause of such Defect existed at the time of transfer of risk.

9.2. Claims for defects shall be subject to a limitation period of 12 months. This shall not apply to the extent that other statutory periods are provided for under § 438 (1) No. 2 (Buildings and Building Supplies) and § 631 (1) (Right of Recourse) and 634a (Building Defects) of the German Civil Code (BGB) and in instances in which injury is caused to life, limb or health as well as if Continental is grossly negligent or culpably in breach of obligations and in the case of fraudulent concealment of a defect.

9.3. Should Continental rectify defects pursuant to Clause 9.1 in the form of subsequent performance ("Nacherrichtung"), the limitation period for the subsequently improved or re-delivered goods or parts of the goods shall be 6 months following the transfer of risk, the limitation period shall not however end before, and shall end at the latest, 6 months after expiry of the limitation period referred to in Clause 9.2.

9.4. Notification of defects pursuant to § 377, 381 II German Commercial Code (HGB) shall be made in writing. Negotiations relating to objections lodged shall not be considered as agreement on the limitation of Continental’ right to object on the grounds of late, inadequate or unconfounded notification of defects. Defects shall only be acknowledged in writing. In all other respects the rules regarding the interrupter-suspension or recommen- cement of the limitation period remain unaffected.
9.5. Should a defect be notified, the Customer shall be entitled to withhold payments provided that such withheld payments are in reasonable proportion to such defects. The Customer shall only be entitled to withhold payments if a complaint regarding defects has been notified and provi-
ded that there can be no reasonable doubt regarding the justifi-
cation of such a notification of defects. Should an unjustified notification of defects be made, Continental shall be entitled to demand compensation from the Customer for the loss incurred by the Customer for continental as a result.

9.6. Continental shall always initially be granted the opportunity to cure any defects within a reasonable period of time.

9.7. Should the non-performance be deliberate, the Customer shall be entitled to require rescission of the contract or a price reduction.

9.8. Claims regarding Defects shall not be asserted on the basis of insignifi-
cant deviations from agreed quality levels or fitness for use, natural wear and tear or damages occurring subsequent to the transfer of risk as a re-
sult of incorrect use, incorrect operation, insufficient maintenance or repair, equipment, external influences not envisaged by this contract or non-
reproducible software errors. Claims for Defects may not be asserted on the basis of improper changes or repair work or the results of the same
performed by the Customer or third parties.

9.9. Claims asserted by the Customer relating to expenses necessarily incurred in the event of subsequent performance, in particular transit, transport, work and material costs, are excluded to the extent that such costs
decrease as a result of the Customer subsequently moving the deli-
voy item to a location other than the business location of the Customer
unless such relocation complies with such item’s intended purpose.

10.1. Unless otherwise agreed, Continental shall only be obliged to ensure that
the Services are not subject to third party intellectual property rights and
copyright (hereinafter: intellectual property rights) in the country to which
delivery is made. Should, owing to an infringement of intellectual prop-
erty rights, a third party assert claims against the Customer based
on the contractually agreed use of the Services, Continental shall be
liable to the Customer within the periods stipulated under Clause 9.2 as
follows:

a) Continental shall, at its discretion and cost, either acquire a license for the
relevant Services, modify the Services in such a way that they no
longer infringe the intellectual property rights, or exchange the
Services. Should Continental not be able to carry out any of the above
measures at reasonable conditions, the Customer shall be entitled to
assert his statutory right to withdraw from the contract or to demand a
reduction in price.

b) The duties of Continental referred to above shall only apply if the Custo-
mer immediately informs Continental in writing about the claims asserted
by the third party, does not acknowledge such an alleged infringement,
and ensures that measures to ward off such claims or composition nego-
tiations remain the exclusive preserve of Continental. Should the Custo-
mer cease to use the Services with the aim of minimizing any claims or for
any other material reasons, the Customer shall advise the third party
that such cessation of use shall not be deemed to be a recognition of the
infringement of the relevant intellectual property rights.

1.2. Customer claims asserted by the Customer to the extent that the Customer is
responsible for the infringement of the intellectual property rights.

1.3. Customer claims shall also be excluded to the extent that the infringe-
ment of the intellectual property rights is due to special instructions is-
ued by the Customer to a use, which could not be foreseen by Continen-
tial, or to the Services being modified by the Customer or used with
other products not supplied by Continental.

1.4. In the event of an infringement of intellectual property rights, the Custo-
mer claims governed by no. 1 a) shall also be subject to the provisions of
Clause 9.5 and 9.6.

1.5. In the event of any other defects of title, the provisions of Clause 9 shall
apply accordingly.

1.6. Further Customer claims or Customer claims asserted against Continen-
tial and its vicarious agents on the basis of defects other than those
claims governed by this Clause 9 are excluded regardless of the infrin-
gement of such claims, unless such claims are due to a willful or grossly
negligent breach of contract or if injury is caused to life, limb or health, or
Continental has warranted the absence of a defect. The above
provisions do not constitute a modification in the burden of evidence to
the detriment of the Customer.

11. Impassibility of Performance; Adaptation of Contract

11.1. Should the performance of any Service be impossible, the Customer
shall be entitled to claim damages unless Continental is not responsible for
such impossibility. Claims for damages shall however be limited to 10%
of the value of the Services, which – owing to impossibility of perfor-
mance – cannot be put into appropriate use. This shall not
apply to instances in which mandatory liability is based on willful miscon-
duct, gross negligence, or injury to life, limb or health; this does not
constitute a modification in the burden of evidence to the detriment of the
Customer. The Customer’s right to rescind the contract remains unaffected.

11.2. In the event of temporary impossibility, Clause 5 (Delivery Period, Delay)
shall apply.

11.3. Should unforeseeable circumstances as defined by Clause 5 no. 2
result in a significant impairment to the business value or contents of the
Service or have a significant impact on Continental’s Financial Perfor-
mance, the contract shall be amended in accordance with the require-
ments of good faith. Should it be economically unreasonable to make
such amendments, Continental shall be entitled to terminate the contract.
Should Continental wish to assert this right of rescission, Continental
shall – bearing in mind the implications of the relevant event – inform the
Customer accordingly immediately even if an initial agreement has
been reached with the Customer to prolong any delivery period.

12. Liability

12.1. Continental shall have unlimited liability for injuries to life, body or health
and, in the event of property damages caused by simple negligence, shall
reimburse, per occurrence, the additional costs, as well as additional costs
resulting from the presence of such defects, incurred by the Customer
up to the amount of 25 % of the respective individual call-off but not exceeding an
amount of 50.000 Euro. In the case of property damage occurring during
and/or in connection with the performance of tests on the said or crash test
facility, however, the compensation per damaging event shall be
limited to the value of that part of the remuneration which is attributable to
the test during and/or concerning the performance of which the damage occurred. Claims for damage occurring during the
employment of data carrier material, the duty to replace shall not include the cost of restoring lost data and
information.

12.2. Regardless of their legal standing, further claims for damages or com-
pen.sation for expenses (hereinafter referred to as claims for damages), in
particular claims asserted on the basis of a violation of obligations arising in connection with the contract and tortuous acts, are excluded.

12.3. The right to the extent of the gross negligence of Continental is
bom, e.g., according to the provisions of the German Product Liability Law ("Produkthaftungsgesetz"), in cases of willful misconduct or gross negligence, if the characteristic risks of a good are not
excluded, the Customer is negligent in the event of fraudul
ent concealment of a defect, or in cases of breach of a substan-
tial obligation of the contract ("Verletzung wesentlicher Vertragspflich-
ten"). Claims for damages based on fundamental breach of contract shall however be limited to typically foreseeable damage unless such damages are due to willful misconduct or gross negligence.

12.4. Should the Customer be entitled to assert claims for damages on the basis of this clause, these claims shall be limited to the current price of the Service as of the date
of limitation period, which applies to claims for defects pursuant to Clause 9.2. This shall not apply to willful acts or to gross negligence, or if injury is caused to life, limb or health, in the case of fraudulent conceal-
ment of a defect, in the cases of claims based on the
German Product Liability Law.

12.5. The above provisions do not constitute a modification in the burden of evidence to the detriment of the Customer.

13. Termination of Contract

13.1. Each party to the contract shall have the right to terminate the contract
for important reasons. Before any such termination, the parties will, if
to and the extent they can be reasonably expected to do so, afford each
other opportunity to remove the reason for termination.

13.2. If a contract concerning the performance of work ("Werksvertrag") should be terminated by the Customer or if the Customer should terminate the contract for any reason for which neither party is responsible. Continental
shall receive the agreed contract price. However, a deduction shall be
made from the agreed contract price to take into account any sav-
ings in expenditure resulting from the termination of the contract. This
provision shall also apply if the contract should have been become im-
possible of performance for any reason beyond the reasonable control of
Continental.

13.3. If the contract is terminated for reasons for which Continental is respon-
bable, Continental shall be entitled only to reinstate the Services
performed up to the time the contract is terminated, provided that such
Services can reasonably be used by customer.

13.4. A right of the customer to terminate the contract in accordance with § 631 German Civil Code (BGB) remains unaffected.

14. General

14.1. Publication of expert opinions, reports, photos, films and other material
prepared by Continental under the contract – whether wholly or in part
shall require the prior approval of Continental. The same applies to the
utilization or mentioning of the order, its results or other details for sales
promotion purposes.

14.2. Contractual relations shall be governed by German substantive law to the
exclusion of the United Nations Convention on Contracts for the

14.3. The Customer authorizes Continental, under waiver of notice, to proc-
ess personal data and to pass on such data to the offices within the
Continental Group involved in the handling of the contractual relations
within the scope permissible under the General Data Protection Act
("Bundesdatenschutzgesetz") and to the extent necessary for the pur-
poses of handling the contractual relations.

14.4. If any provisions of this Contract are found to be null or void, this shall
not affect the validity of its remaining provisions. This shall not apply
should continued adherence to the contract constitute an unreasonable
harmfulness for one of the parties.

14.5. Any additions or modifications to this contract are only valid if made in
writing. Electronic form shall not be deemed to be written form.

14.6. Should the Customer be a merchant, a corporation under public law or
a public agency, the provisions of jurisdiction arising di-
rectly or indirectly from this contractual relationship shall be Aschaffen-
burg, Germany. Continental also has the right to bring action before a
court that has jurisdiction over the registered office or a branch of the
Customer.